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**PACIFICORP**

A MIDAMERICAN ENERGY HOLDINGS COMPANY

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IDAHO PUBLIC  
UTILITIES COMMISSION

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March 11, 2014

***VIA OVERNIGHT DELIVERY***

Idaho Public Utilities Commission  
472 West Washington  
Boise, ID 83702-5983

Attention: Jean D. Jewell  
Commission Secretary

Re: PacifiCorp Notice of Affiliate Transaction  
Case No. PAC-E-05-8

Dear Ms. Jewell:

This letter will serve as notice pursuant to Commitment I 17(2), incorporated in the Idaho Public Utilities Commission Order No. 29973 issued February 13, 2006, as supplemented by Order No. 29998 March 14, 2006, in the above-referenced proceeding, approving the acquisition of PacifiCorp by MidAmerican Energy Holdings Company (MEHC), of an affiliate interest transaction with Wells Fargo Securities, LLC (Wells Fargo) and U.S. Bancorp Investments, Inc. (US Bank). PacifiCorp selected Wells Fargo and U.S. Bank to each be a co-manager underwriter for a bond offering PacifiCorp intends to issue in the near future. A copy of the draft Form of Underwriting Agreement (Agreement) is included as Confidential Attachment A. This document contains a "draft" designation, which will be removed upon execution of the agreement. PacifiCorp does not expect to see any material changes to the terms and conditions of the Agreement.

PacifiCorp is a wholly-owned indirect subsidiary of MEHC. MEHC is a subsidiary of Berkshire Hathaway, Inc. (Berkshire Hathaway). As of March 31, 2010, Warren E. Buffet (an individual who may be deemed to control Berkshire Hathaway), Berkshire Hathaway, various subsidiaries of Berkshire Hathaway and various employee benefit plans of Berkshire Hathaway subsidiaries together held an interest in excess of 5 percent in each Wells Fargo and U.S. Bank common stock. Therefore, Berkshire Hathaway's ownership interest in Shaw Environmental may create an affiliated interest in some PacifiCorp jurisdictions.

PacifiCorp intends to issue a bond offering in the near future and has solicited underwriting proposals from a number of banks. Several banks, including Wells Fargo and U.S. Bank, provided information on indicative credit spreads, market conditions, their credit analysis, marketing plans, and underwriting fees. PacifiCorp selected three other banking institutions to lead the transaction as joint book running managers and selected Wells Fargo and U.S. Bank to be among the [six] co-managers for this bond offering. The selection of Wells Fargo or U.S.

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Bank was not influenced by Berkshire Hathaway's ownership interest. Wells Fargo's and U.S. Bank's underwriting fees will be determined at a rate equal to all underwriters and at what PacifiCorp believes to be market rates or better for itself. PacifiCorp anticipates Wells Fargo's and U.S. Bank's underwriting fee will be significantly less than the fees paid to the joint book running managers and range from approximately \$[REDACTED] each, respectively depending on the maturity of the debt that PacifiCorp issues. The underwriting fee is commercially-sensitive, and if revealed, could erode PacifiCorp's bargaining position in future transactions. Such erosion of bargaining power could lead to increased costs. Accordingly, this information is submitted under seal, and PacifiCorp requests that it be made confidential.

As a public utility, the Company is expected to acquire, construct, improve, and maintain sufficient utility facilities to serve its customers adequately and reliably at reasonable cost. Issuance of bonds are part of a program to finance PacifiCorp's facilities taking into consideration prudent capital ratios, earning coverage tests, and market uncertainties as to the relative merits of the various types of securities PacifiCorp could sell. Accordingly, the transaction is consistent with the public interest.

Please do not hesitate to contact me if you have any questions.

Best Regards,



R. Jeff Richards  
Vice President and General Counsel  
PacifiCorp

Enclosures

**ATTACHMENT A IS CONFIDENTIAL  
AND WILL BE PROVIDE SEPARATELY**